



Placer Small Business COVID Recovery Program

Frequently Asked Questions

Where does this money come from?

Placer County applied for and received, one Community Development Block Grant Coronavirus Relief (CDBG-CV) grant from the State of California Department of Housing and Community Development (HCD) to assist CDBG eligible Microenterprises impacted by COVID-19. To accomplish this the County established the Microenterprise Assistance Program ("MAP") which will provide technical assistance and forgivable loans to help these businesses recover from the impacts of the pandemic and/or improve their longer-term resiliency in an effort to increase their ability to survive similar future disasters. The intent of the funding is to provide relief to the hardest-to-reach microenterprises and entrepreneurs.

Placer County has contracted with Sierra Business Council to administer the application and provide technical assistance.

What is an CDBG eligible small business?

To be a CDBG eligible microenterprise the business must meet both of the following criteria:

- The business must have 5 or fewer employees where the owner or owners are included in this number.
- The owner or owners must qualify as low-to-moderate income individuals as defined by the U.S. Department of Housing and Urban Development.

As an owner, how do I determine if I am considered a low-to-moderate income individual?

You can determine if you meet the requirement of being a low-to-moderate-income individual by completing the following three steps:

1. Determine the number of members of your family. [A family is defined as all persons living in the same household who are related by blood, marriage, or adoption including adult children who continue to live with their parent(s) and a dependent child who is living outside of the home (e.g., students living in a dormitory or other student housing).]
2. Add up the amount on line 11 (Adjusted Gross Income) of the 2021 1040 Federal Tax Returns for each member of your family and document the total.



3. Compare the total from Item #2 above to the dollar amount to the right of the number of persons in your household to the table below.

Number of Person in Household	Total Adjusted Gross Income of all Members of the Household
1	\$56,750
2	\$64,850
3	\$72,950
4	\$81,050
5	\$87,550
6	\$94,050
7	\$100,550
8*	\$107,000

If the combined total calculated in Item #2 above is below or equal to the dollar amount in the right-hand column (above) for the number of persons in your household, you are considered a low-to-moderate income individual.

What are the sizes of the awards?

- Microenterprises with annual Gross Revenue in 2019 of \$100,000 or less will be eligible for up to \$50,000 in forgivable loan funding with the amount based on the need determined during the underwriting process.
- Businesses with annual Gross Revenue in 2019 over \$100,000 will be eligible for up to \$100,000 in forgivable loan funding with the amount based on need determined during the underwriting process.

Awards will be based on the underwriter's assessment of your microenterprise's financial needs and may not reflect the amount requested.

Will I need to pay the money back? Is this a grant program or a loan program?

This is a loan program, with loan forgiveness terms. If you fail to meet the MAP's forgiveness criteria, the loan will not be forgiven and instead will be converted to a 3-year term loan at an interest rate of 0% to 2% as determined by the MAP Loan Review Committee.

What are the terms of forgiveness?

For the loan to be forgiven, the business will have to complete the following for the term of the loan: (NOTE: Forgiveness can be no sooner than 3 months and will extent until all loan funds are expended)

- MAP loan funds must be used for eligible uses that meet CDBG cost reasonableness



requirements and match the uses provided in the borrower's loan application's Sources and Uses statement. Any changes in the use of funds must be approved in writing by the Program Administrator. submitted as part of the loan application and in compliance with CDBG cost reasonableness requirements.

- Provide monthly financial information (e.g., financial statements or business bank statements) by the 20th of the next month for the term of the loan.
- Meet with a business counselor once a month after submitting financial information and an owner will have to meet with a business counselor each month to review financial performance, business needs, etc. for the term of the loan.

What can funds be spent on?

Per the U.S. Department of Housing and Urban Development (HUD) Community Development Block Grant (CDBG) Program and the Department's CDBG Guidelines and waivers, eligible use of funds are:

- Working Capital (W/C) and Operating Expenses (OE) as defined below:
 - Inventory, other Costs of Goods relevant to the business operation, payroll, employer provided benefits, contract labor, supplies, packaging, shipping and postage, advertising/marketing, rent/mortgage, utilities (including telecommunications), insurance, business licenses and fees, professional services (e.g., legal, accounting, bookkeeping, consulting services, etc.), vehicle expenses, business-related licenses and subscriptions, maintenance expenses, business equipment leases, business bank and credit card fees and business debt interest payments.
- Purchase of furniture, fixtures, and equipment (FF&E) to support the microenterprise's needs to prepare for, respond to or prevent the impacts associated with the COVID pandemic. Purchases cannot include FF&E that involve construction, assembly or installation costs that will trigger state or federal prevailing wages requirements (e.g., installing an new electrical connection, assembling a walk-in cooler or installing an exhaust hood), .

Are funds allocated on a first-come, first-served basis for qualified applicants?

Yes. Applications will be accepted and processed on a first-come, first-served basis until all available funds are expended.

Eligibility for Businesses

How do I know if my business is eligible for funding?



Before applying, everyone must go through an eligibility process, which will determine whether or not their business is eligible to apply. If your organization is deemed eligible, then you will be automatically directed to the application and provided with a checklist of required information. You can review the eligibility screening and application process at <https://www.placer.ca.gov/bizgrants>.

If you are deemed ineligible, you will not be able to proceed with the application. After reviewing the eligibility criteria below, please call Sierra Business Council at 530-582-5022 if you believe there has been a mistake in your eligibility process so that we can correct it.

Eligibility requirements for businesses:

“Qualified microenterprise” means an entity that meets the following criteria:

- Be CDBG eligible microenterprise as defined earlier in the FAQ's.
- Be a legally operating for-profit microenterprise that is operated out of a commercial space or home located in the unincorporated area of Placer County.
- Be in operation and generating Revenue since January 1, 2019.
- Be currently active and operating.
- Be able to demonstrate one of the following:
 - A minimum of a 15 % decline in Gross Revenue for the same 4-month period from 2019 to 2020 (e.g., 15% decline in Gross Revenue for April, May, June & July 2019 as compared to April, May, June & July 2020).
 - A minimum of a 15 % decline in yearly Gross Revenue between 2019 and 2020.
 - A minimum of a 15 % decline in Gross Revenue for the same 4-month period from 2019 to 2021 (e.g., 15% decline in Gross Revenue for April, May, June & July 2019 as compared to April, May, June & July 2021).
 - A minimum of a 15 % decline in yearly Gross Revenue between 2019 and 2021.
- Be a for-profit business with less than 25 full-time equivalent (FTE) employees prior to March 1, 2020.
- Be able to demonstrate one of the following:
 - A minimum of a 15 % decline in Gross Revenue for the same 4-month period from 2019 to 2020 (e.g., 15% decline in Gross Revenue for April, May, June & July 2019 as compared to April, May, June & July 2020).
 - A minimum of a 15 % decline in yearly Gross Revenue between 2019 and 2020.
 - A minimum of a 15 % decline in Gross Revenue for the same 4-month period from 2019 to 2021 (e.g., 15% decline in Gross Revenue for April, May, June & July 2019 as compared to April, May, June & July 2021).
 - A minimum of a 15 % decline in yearly Gross Revenue between 2019 and 2021.



- Be a for-profit business with less than 25 full-time equivalent (FTE) employees prior to March 1, 2020.

“Qualified microenterprise owner” means an individual that meets and self-certifies, under penalty of perjury, all of the following criteria:

- The microbusiness owner is the majority owner and is actively involved in the operation of the qualified microenterprise.
- The microenterprise owner’s primary means of income in the 2019 taxable year was the qualified microenterprise.
- The microenterprise owner can demonstrate their eligibility as a “qualified microenterprise owner” by providing the fiscal agent with a government-issued photo identification (state, domestic, or foreign), and documentation that includes the owner’s name and may include, but is not limited to, the following:
 1. A local business permit or license or
 2. A bank statement or
 3. A tax return or
 4. Additional documentation to verify a microenterprise is a “qualified microenterprise”, as deemed appropriate by the fiscal agent.

Can I apply if I received funds from the California Relief Grant program?

Yes, you can apply if you received funds from the California Relief Grant or other pandemic-related grant or loan programs. However, you cannot apply if you have already received sufficient funds from this or other COVID relief loans or grants to cover the impacts the business has experienced due to the COVID pandemic. A determination of your needs for additional funding from this program to cover COVID impact will be determined during the loan application process. NOTE: Funding from the MAP cannot be used to pay off other COVID related debt such as an SBA EIDL.

Can I apply if I received funds from the Paycheck Protection Program (PPP)?

Yes, you can apply if you received funds from the Paycheck Protection Program or other pandemic-related grant or loan programs. However, you cannot apply if you have already received sufficient funds from this or other COVID relief loans or grants to cover the impacts the business has experienced due to the COVID pandemic. A determination of your needs for additional funding from this program to cover COVID impact will be determined during the loan application process. NOTE: Funding from the MAP cannot be used to pay off other COVID related debt such as an SBA EIDL.

Can I apply if I already received a grant from Placer Shares?



Yes, you can apply if you already received a grant from Placer Shares. However, you cannot apply if you have already received sufficient funds from this or other COVID relief loans or grants to cover the impacts the business has experienced due to the COVID pandemic. A determination of your needs for additional funding from this program to cover COVID impact will be determined during the loan application process. NOTE: Funding from the MAP cannot be used to pay off other COVID related debt such as an SBA EIDL.

How does eligibility screening work?

Eligibility screening is based on guidelines established by the U.S. Department of Housing and Urban Development and the State of California Department of Housing and Community Development. The application process incorporates these requirements. You can review the application process at <https://www.placer.ca.gov/bizgrants>.

What is the reasoning behind the eligible business size?

The size of the eligible businesses for the MAP were established by federal CDBG regulations.

Applying for the Grant

How do I apply?

You can apply online on this website. You can begin the application process at <https://www.placer.ca.gov/>

When does the application open?

The application will be open on March 13, 2023. Applications will be accepted on a first come, first-serve basis. Only complete, submitted applications will be considered.

What's the deadline to apply?

The application will close at 5:00 PM on March 27, 2023. Applications are accepted on a first come, first-serve basis. Only complete, submitted applications will be considered.

Does the application save once I have started it?

Your application will AUTOMATICALLY save once you start it. You can leave the application or close the browser at any point, and the application will be automatically saved when you return.

You can also click the "SAVE APPLICATION" button at the bottom of the form to see a summary of your in-progress application.

Do I have to fill out the application online? Can I submit my application via mail or in person?



All applications must be filled out online. No physical applications will be accepted. Applications can be filled out with a mobile phone. If you need help accessing a computer with Internet access, please visit your local library for free access.

How can I get help with my application?

If you need assistance, you can contact Sierra Business Council, the Small Business Covid Recovery administrator, at 530-582-5022, or email info@sierrasbdc.com. Assistance in Spanish is available.

I own/operate more than one business. Am I allowed to submit an application for each business I own if they meet the qualifications?

No, you may only apply one time even if you own, co-own, or operate multiple businesses. Only one business will be eligible.

My business has multiple locations. How do I know if I qualify?

Your application answers and financial information must pertain only to a single business location in the unincorporated area of Placer County. A P.O. Box is not considered a physical location.

If my business is declined, may I reapply?

You may not reapply if your application is declined. Please make sure you fill out the application accurately and completely. A decline will likely be for ineligibility or incomplete applications. Please see the eligibility information above.

What documentation will I need to submit my application?

Once you complete the online application and are deemed eligible you will be provided with a checklist of all the items you will need to complete your application. This checklist includes request for many of the same documents required for a business loan along with specific documents required by the federal CDBG program.

Why do I need to fill out a W-9?

The county is required to report funds for loan forgiven to the United States Treasury at the end of the year in which the loan is forgiven, which is done using W-9 forms. Filling out a W-9 now will help us send out checks more quickly to successful applicants. No funds will be disbursed without a W-9 and applications will be deemed incomplete without the W-9.

Why are you asking for a business financial information and/or tax return?



Your business financial information and/or tax returns allow us to verify your household income, business performance and other business needs as required by federal CDBG underwriting requirements.

How do I upload the required documents?

When you get to the upload part of the application, you can search your device for the documents you need, and then upload them.

Do I need to submit all the documents? What if I don't have all the documents that I need to apply?

You must submit ALL the required documents. Incomplete applications will not be considered.

How can I prove my business was in operation prior to or on January 1, 2019?

You will need to attest that your business was in operation by clicking the box on the application. You will also have to submit your 2019 business tax return and other requested organizational documents.

What if I have multiple locations for a single business, which address should I use?

Please select the location that is within the unincorporated area of Placer County. NOTE: You must be able to provide financial information for this location, separate from your other business locations. If all of your locations are located in the unincorporated area of Placer County please select what you might consider the "primary" business location.

What if I accidentally made a mistake or entered incorrect information on my application?

You can save and edit your application until you submit it. You do not need to complete it all in one sitting. Please take your time on your application and do not submit it until you are sure it is complete and correct.

What do I do if I need a W-9?

You can click to fill out a blank W-9 Form [in English](#) or [in Spanish](#).

Do applicants receive a confirmation that they submitted their application?

Yes, you will receive a confirmation email upon submission of your application.



Selection Process

Are funds allocated on a first-come, first-served basis for qualified applicants?

Yes. Applications are open from March 13, 2023, to March 27, 2023 and funds will be provided on a first-come, first serve basis until funding is expended.

How will applications be selected to receive funding?

Applications are accepted on a first-come, first-serve basis. Applications will initially be evaluated for general eligibility and further eligibility will be determined during the loan underwriting process. Once available funding has been expended, the application will close.

Receiving Funding

How will I be contacted or know if I will receive a loan?

You will be notified of your award by email. **Be sure to check your email regularly, including your spam folders.** Emails to applicants will come from Placer <administrator@grantinterface.com>.

Will I be contacted if I am not invited to move on to the next phase of the loan application process?

Yes, you will be notified by email if you were considered eligible, but no funds remained to cover your loan request, or you were deemed ineligible.

If I am selected to receive a loan, how much money will I get?

- Businesses with annual Gross Revenue in 2019 of \$100,000 or less will be eligible for up to \$50,000 in forgivable loan funding with the amount based on the need determined during the underwriting process.
- Businesses with annual Gross Revenue in 2019 over \$100,000 will be eligible for up to \$100,000 in forgivable loan funding with the amount based on need determined during the underwriting process.

Awards will be based on the underwriter's assessment of your microenterprise's financial needs and may not reflect the amount requested.

How will I receive funds?

Funds will be provided to your business over time as defined in the loan agreement.



Am I required to set up a new bank account specifically for these funds?

No. However, the business must have a separate business bank account so there is a clear evidence of the use of funds after the loan is approved.

Will there be more forgivable loans or grants available in the future?

We cannot guarantee future funding and recommend submitting an application ASAP for this program.

Is my small business taxed on this loan?

The Administrators cannot provide tax advice to those who receive payments. The Administrators recommend that loan recipients consult with personal or business tax advisors for any questions regarding tax liability for MAP funds that are forgiven. Any taxes associated with accepting or using the funds are the responsibility of the business.

Using Funding

What's required of me if I receive a forgivable loan? Are there any strings attached?

If selected, you must use these funds for approved COVID-19-related expenses identified in your application. Funds may not be used for a different business or personal expenses. Funding is not transferable.

Do I have to pay the money back, like a loan?

This is a loan program, with loan forgiveness terms. If you fail to meet the MAP's forgiveness criteria described earlier, the loan will not be forgiven and instead will be converted to a 3 year term loan at an interest rate of 0% to 2% as determined by the MAP Loan Review Committee.

Other Questions

My business is struggling, I need help. Where can I go?

You should contact the Sierra Small Business Development Center for free business counseling by sending an email to info@sierrasbdc.com.

If I have questions after reading this FAQ, what do I do?

Call Sierra Business Council, the forgivable loan administrator, at 530-582-5022, or email info@sierrasbdc.com.

